

Senate File 516

H-1448

1 Amend Senate File 516, as amended, passed, and reprinted by
2 the Senate, as follows:

3 1. By striking everything after the enacting clause and
4 inserting:

5 <DIVISION I

6 STANDING APPROPRIATIONS AND RELATED MATTERS

7 Section 1. BUDGET PROCESS FOR FISCAL YEAR 2018-2019.

8 1. For the budget process applicable to the fiscal year
9 beginning July 1, 2018, on or before October 1, 2017, in lieu
10 of the information specified in section 8.23, subsection
11 1, unnumbered paragraph 1, and section 8.23, subsection 1,
12 paragraph "a", all departments and establishments of the
13 government shall transmit to the director of the department
14 of management, on blanks to be furnished by the director,
15 estimates of their expenditure requirements, including every
16 proposed expenditure, for the ensuing fiscal year, together
17 with supporting data and explanations as called for by the
18 director of the department of management after consultation
19 with the legislative services agency.

20 2. The estimates of expenditure requirements shall be
21 in a form specified by the director of the department of
22 management, and the expenditure requirements shall include all
23 proposed expenditures and shall be prioritized by program or
24 the results to be achieved. The estimates shall be accompanied
25 by performance measures for evaluating the effectiveness of the
26 programs or results.

27 Sec. 2. BUDGET PROCESS FOR FISCAL YEAR 2019-2020.

28 1. For the budget process applicable to the fiscal year
29 beginning July 1, 2019, on or before October 1, 2018, in lieu
30 of the information specified in section 8.23, subsection
31 1, unnumbered paragraph 1, and section 8.23, subsection 1,
32 paragraph "a", all departments and establishments of the
33 government shall transmit to the director of the department
34 of management, on blanks to be furnished by the director,
35 estimates of their expenditure requirements, including every

1 proposed expenditure, for the ensuing fiscal year, together
2 with supporting data and explanations as called for by the
3 director of the department of management after consultation
4 with the legislative services agency.

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6 in a form specified by the director of the department of
7 management, and the expenditure requirements shall include all
8 proposed expenditures and shall be prioritized by program or
9 the results to be achieved. The estimates shall be accompanied
10 by performance measures for evaluating the effectiveness of the
11 programs or results.

12 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY
13 2017-2018. Notwithstanding the standing appropriations
14 in the following designated sections for the fiscal year
15 beginning July 1, 2017, and ending June 30, 2018, the amounts
16 appropriated from the general fund of the state pursuant to
17 these sections for the following designated purposes shall not
18 exceed the following amounts:

19 1. For payment of claims for nonpublic school
20 transportation under section 285.2:

21 \$ 8,197,091

22 If total approved claims for reimbursement for nonpublic
23 school pupil transportation exceed the amount appropriated in
24 accordance with this subsection, the department of education
25 shall prorate the amount of each approved claim.

26 2. For distribution for the tribal council of the Sac and
27 Fox Indian settlement for educating American Indian children
28 under section 256.30:

29 \$ 95,750

30 Sec. 4. LIMITATIONS OF STANDING APPROPRIATIONS — FY
31 2018-2019. Notwithstanding the standing appropriations
32 in the following designated sections for the fiscal year
33 beginning July 1, 2018, and ending June 30, 2019, the amounts
34 appropriated from the general fund of the state pursuant to
35 these sections for the following designated purposes shall not

1 exceed the following amounts:

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3 transportation under section 285.2:

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6 school pupil transportation exceed the amount appropriated in
7 accordance with this subsection, the department of education
8 shall prorate the amount of each approved claim.

9 2. For distribution for the tribal council of the Sac and
10 Fox Indian settlement for educating American Indian children
11 under section 256.30:

12 \$ 95,750

13 Sec. 5. GENERAL ASSEMBLY.

14 1. The appropriations made pursuant to section 2.12 for the
15 expenses of the general assembly and legislative agencies for
16 the fiscal year beginning July 1, 2017, and ending June 30,
17 2018, are reduced by the following amount:

18 \$ 400,000

19 2. The budgeted amounts for the general assembly and
20 legislative agencies for the fiscal year beginning July 1,
21 2017, may be adjusted to reflect the unexpended budgeted
22 amounts from the previous fiscal year.

23 3. Annual membership dues for organizations, associations,
24 and conferences shall not be paid from moneys appropriated
25 pursuant to section 2.12.

26 4. Costs for out-of-state travel and per diems for
27 out-of-state travel shall not be paid from moneys appropriated
28 pursuant to section 2.12.

29 Sec. 6. INSTRUCTIONAL SUPPORT STATE AID — FY 2017-2018. In
30 lieu of the appropriation provided in section 257.20,
31 subsection 2, the appropriation for the fiscal year
32 beginning July 1, 2017, and ending June 30, 2018, for paying
33 instructional support state aid under section 257.20 for such
34 fiscal years is zero.

35 Sec. 7. SPECIAL FUNDS — SALARY ADJUSTMENTS — FY 2017-2018

1 — FY 2018-2019. For the fiscal year beginning July 1, 2017,
2 and ending June 30, 2018, and for the fiscal year beginning
3 July 1, 2018, and ending June 30, 2019, salary adjustments may
4 be funded using departmental revolving, trust, or special funds
5 for which the general assembly has established an operating
6 budget, provided that doing so does not exceed the operating
7 budget established by the general assembly.

8 Sec. 8. OPERATIONAL APPROPRIATIONS — REVERSION — FY
9 2016-2017. Notwithstanding section 8.62, at the close of
10 the fiscal year beginning July 1, 2016, and ending June 30,
11 2017, any balance of an operational appropriation that remains
12 unexpended or unencumbered shall not be encumbered or deposited
13 in the cash reserve fund as provided in section 8.62, but shall
14 instead revert to the general fund of the state at the close of
15 the fiscal year as provided in section 8.33.

16 Sec. 9. SPECIAL FUNDS — SALARY ADJUSTMENTS —
17 UNAPPROPRIATED MONEYS — FY 2017-2018 — FY 2018-2019. For the
18 fiscal year beginning July 1, 2017, and ending June 30, 2018,
19 and for the fiscal year beginning July 1, 2018, and ending
20 June 30, 2019, salary adjustments otherwise provided may be
21 funded as determined by the department of management using
22 unappropriated moneys remaining in the department of commerce
23 revolving fund, the gaming enforcement revolving fund, the
24 gaming regulatory revolving fund, the primary road fund, the
25 road use tax fund, the fish and game protection fund, the Iowa
26 public employees' retirement fund, and in other departmental
27 revolving, trust, or special funds for which the general
28 assembly has not made an operating budget appropriation.

29 Sec. 10. SALARY MODEL ADMINISTRATOR. The salary model
30 administrator shall work in conjunction with the legislative
31 services agency to maintain the state's salary model used for
32 analyzing, comparing, and projecting state employee salary
33 and benefit information, including information relating to
34 employees of the state board of regents. The department of
35 revenue, the department of administrative services, the five

1 institutions under the jurisdiction of the state board of
2 regents, the judicial district departments of correctional
3 services, and the state department of transportation shall
4 provide salary data to the department of management and the
5 legislative services agency to operate the state's salary
6 model. The format and frequency of provision of the salary
7 data shall be determined by the department of management and
8 the legislative services agency. The information shall be
9 used in collective bargaining processes under chapter 20 and
10 in calculating the funding needs contained within the annual
11 salary adjustment legislation. A state employee organization
12 as defined in section 20.3, subsection 4, may request
13 information produced by the model, but the information provided
14 shall not contain information attributable to individual
15 employees.

16 Sec. 11. Section 257.35, Code 2017, is amended by adding the
17 following new subsection:

18 NEW SUBSECTION. 11A. Notwithstanding subsection 1, and in
19 addition to the reduction applicable pursuant to subsection
20 2, the state aid for area education agencies and the portion
21 of the combined district cost calculated for these agencies
22 for the fiscal year beginning July 1, 2017, and ending June
23 30, 2018, shall be reduced by the department of management by
24 fifteen million dollars. The reduction for each area education
25 agency shall be prorated based on the reduction that the agency
26 received in the fiscal year beginning July 1, 2003.

27 Sec. 12. EFFECTIVE UPON ENACTMENT. The following provision
28 or provisions of this division of this Act, being deemed of
29 immediate importance, take effect upon enactment:

30 1. The section of this division of this Act reverting to
31 the general fund any unexpended or unencumbered moneys from
32 operational appropriations.

33 DIVISION II

34 MISCELLANEOUS APPROPRIATIONS

35 Sec. 13. TRANSFER FROM CASH RESERVE FUND. Notwithstanding

1 section 8.56, subsection 3 and subsection 4, paragraph "a",
2 there is transferred from the cash reserve fund created in
3 section 8.56 to the general fund of the state for the fiscal
4 year beginning July 1, 2016, and ending June 30, 2017, the
5 following amount:

6 \$131,100,000

7 Sec. 14. CASH RESERVE FUND APPROPRIATION — FY
8 2017-2018. There is appropriated from the general fund of the
9 state to the cash reserve fund created in section 8.56 for the
10 fiscal year beginning July 1, 2017, and ending June 30, 2018,
11 the following amount:

12 \$ 20,000,000

13 Sec. 15. CASH RESERVE FUND APPROPRIATION — FY
14 2018-2019. There is appropriated from the general fund of the
15 state to the cash reserve fund for the fiscal year beginning
16 July 1, 2018, and ending June 30, 2019, the following amount:

17 \$111,100,000

18 Sec. 16. SEXUAL ABUSE EVIDENCE COLLECTION KITS. There
19 is appropriated from the general fund of the state to the
20 department of public safety for the fiscal year beginning July
21 1, 2017, and ending June 30, 2018, the following amount, or
22 so much thereof as is necessary, to be used for the purposes
23 designated:

24 For expediting the processing of sexual abuse evidence
25 collection kits, including salaries, support, maintenance,
26 miscellaneous purposes, and for not more than the following
27 full-time equivalent positions:

28 \$ 200,000

29 FTEs 2.00

30 Sec. 17. DEPARTMENT OF EDUCATION — VOCATIONAL
31 REHABILITATION SERVICES DIVISION.

32 1. There is appropriated from the general fund of the state
33 to the department of education for the fiscal year beginning
34 July 1, 2017, and ending June 30, 2018, the following amount,
35 or so much thereof as is necessary, to be used for the purposes

1 designated:

2 For purposes of meeting federal maintenance of effort
3 requirements:

4 \$ 106,705

5 2. Moneys appropriated in this section shall supplement,
6 not supplant, moneys appropriated for the same purposes in 2017
7 Iowa Acts, House File 642, section 5, subsection 3, paragraph
8 "a".

9 Sec. 18. GUBERNATORIAL TRANSITION. There is appropriated
10 from the general fund of the state to the offices of the
11 governor and the lieutenant governor for the fiscal year
12 beginning July 1, 2017, and ending June 30, 2018, the following
13 amount, or so much thereof as is necessary, to be used for the
14 purposes designated:

15 For expenses incurred during the gubernatorial transition:

16 \$ 150,000

17 Sec. 19. EFFECTIVE UPON ENACTMENT. The following provision
18 or provisions of this division of this Act, being deemed of
19 immediate importance, take effect upon enactment:

20 1. The section of this division of this Act transferring
21 moneys from the cash reserve fund to the general fund of the
22 state for the fiscal year beginning July 1, 2016.

23 DIVISION III

24 MISCELLANEOUS PROVISIONS

25 Sec. 20. Section 2.43, unnumbered paragraph 1, Code 2017,
26 is amended to read as follows:

27 The legislative council in cooperation with the officers of
28 the senate and house shall have the duty and responsibility for
29 preparing for each session of the general assembly. Pursuant
30 to such duty and responsibility, the legislative council
31 shall assign the use of areas in the state capitol except for
32 the areas used by the governor as of January 1, 1986, and by
33 ~~the courts as of July 1, 2003,~~ and, in consultation with the
34 director of the department of administrative services and the
35 capitol planning commission, may assign areas in other state

1 office buildings for use of the general assembly or legislative
2 agencies. The legislative council shall provide the courts
3 with use of space in the state capitol for ceremonial purposes.
4 The legislative council may authorize the renovation,
5 remodeling and preparation of the physical facilities used or
6 to be used by the general assembly or legislative agencies
7 subject to the jurisdiction of the legislative council and
8 award contracts pursuant to such authority to carry out such
9 preparation. The legislative council may purchase supplies and
10 equipment deemed necessary for the proper functioning of the
11 legislative branch of government.

12 Sec. 21. Section 8A.322, subsection 2, Code 2017, is amended
13 to read as follows:

14 2. Except for buildings and grounds described in section
15 216B.3, subsection 6; [section 2.43](#), unnumbered paragraph 1; and
16 any buildings under the custody and control of the Iowa public
17 employees' retirement system, the director shall assign office
18 space at the capitol, other state buildings, and elsewhere in
19 the city of Des Moines, and the state laboratories facility
20 in Ankeny, for all executive and judicial state agencies.
21 Assignments may be changed at any time. The various officers
22 to whom rooms have been so assigned may control the same while
23 the assignment to them is in force. Official apartments shall
24 be used only for the purpose of conducting the business of the
25 state. The term "*capitol*" or "*capitol building*" as used in the
26 Code shall be descriptive of all buildings upon the capitol
27 grounds. The capitol building itself is reserved for the
28 operations of the general assembly, and the governor, and, for
29 ceremonial purposes, for the courts and the. The assignment
30 and use of physical facilities for the general assembly shall
31 be pursuant to [section 2.43](#).

32 Sec. 22. Section 8C.7A, subsection 3, paragraph b,
33 unnumbered paragraph 1, if enacted by 2017 Iowa Acts, Senate
34 File 431, is amended to read as follows:

35 An authority shall not require a person to apply for or

1 enter into an individual license, franchise, or other agreement
2 with the authority or any other entity for the siting of
3 a small wireless facility on a utility pole located in a
4 public right-of-way. However, an authority may, through the
5 conditions set forth in a ~~building~~ permit obtained pursuant to
6 this subsection, do any of the following:

7 Sec. 23. NEW SECTION. **9.4A Technology modernization fund.**

8 1. A technology modernization fund is created in the state
9 treasury under the control of the secretary of state. Moneys
10 in the fund are appropriated to the secretary of state for
11 purposes of modernizing technology used by the secretary of
12 state to fulfill the duties of office.

13 2. On and after July 1, 2017, any increased fee amount
14 collected by the secretary of state shall be credited to the
15 technology modernization fund. From each fee collected, the
16 amount credited to the fund equals the difference between the
17 fee amount collected and the amount assessed for the same fee
18 on June 30, 2017.

19 3. Each fiscal year, not more than two million dollars shall
20 be credited to the fund.

21 4. This section is repealed July 1, 2022.

22 Sec. 24. Section 270.10, Code 2017, is amended to read as
23 follows:

24 **270.10 Merger requirements.**

25 1. The state board of regents shall not merge the school
26 for the deaf at Council Bluffs with the Iowa braille and sight
27 saving school at Vinton or close either of those institutions
28 until all of the following requirements have been met:

29 ~~1.~~ a. The department of management has presented to the
30 general assembly a comprehensive plan, program, and fiscal
31 analysis of the existing circumstances and the circumstances
32 which would prevail upon the proposed merger or closing,
33 together with data which would support the contention that
34 the merger or closing will be more efficient and effective
35 than continuation of the existing facilities. The analysis

1 shall include a detailed study of the educational implications
2 of the merger or closing, the impact on the students, and
3 the opinions and research of nationally recognized experts
4 in the field of the education of visually impaired and deaf
5 students. The comprehensive plan shall further include a
6 study relating to the programming, fiscal consequences, and
7 political implications which would result if either a merger or
8 an agreement under [chapter 28E](#) should be implemented between
9 the school for the deaf in Council Bluffs and comparable state
10 programs in the state of Nebraska.

11 ~~2.~~ b. The general assembly has studied the plans, programs,
12 and fiscal analysis and has reviewed their impact on the
13 programs.

14 ~~3.~~ c. The general assembly has enacted legislation
15 authorizing either the closing or the merger to take effect not
16 sooner than two years after the enactment of the legislation.

17 2. This section shall not apply to an agreement related to
18 the sale or transfer of the property of the Iowa braille and
19 sight saving school at Vinton entered into between the state
20 of Iowa and the city of Vinton.

21 Sec. 25. Section 321N.4, subsection 6, Code 2017, is amended
22 to read as follows:

23 6. Insurance maintained under [this chapter](#) shall be
24 provided by an insurer governed by [chapter 515](#) or ~~518~~, or by
25 a surplus lines insurer governed by [chapter 515I](#). ~~A surplus~~
26 ~~lines insurer that issues a policy pursuant to this section~~
27 ~~shall be considered an insurance carrier duly authorized to~~
28 ~~transact business in this state for the purposes of chapter~~
29 ~~321A.~~

30 Sec. 26. NEW SECTION. 507B.15 **Contracts between health**
31 **carriers and health care providers.**

32 A contract between a health carrier and a health care
33 provider as defined in section 514J.102 in which rates for
34 reimbursement for health care services to beneficiaries of the
35 health carrier are mutually agreed upon shall not exceed five

1 years in duration.

2 Sec. 27. Section 509A.6, Code 2017, is amended to read as
3 follows:

4 **509A.6 Contract with insurance carrier, health maintenance
5 organization, or organized delivery system.**

6 The governing body, using a request for proposals process,
7 may contract with a nonprofit corporation operating under
8 the provisions of [this chapter](#) or [chapter 514](#) or with any
9 insurance company having a certificate of authority to transact
10 an insurance business in this state with respect of a group
11 insurance plan, which may include life, accident, health,
12 hospitalization and disability insurance during period of
13 active service of such employees, with the right of any
14 employee to continue such life insurance in force after
15 termination of active service at such employee's sole expense;
16 may contract with a nonprofit corporation operating under and
17 governed by the provisions of [this chapter](#) or [chapter 514](#)
18 with respect of any hospital or medical service plan; and
19 may contract with a health maintenance organization or an
20 organized delivery system authorized to operate in this state
21 with respect to health maintenance organization or organized
22 delivery system activities.

23 Sec. 28. ALCOHOLIC BEVERAGE CONTROL — STUDY.

24 1. It is the intent of the general assembly that the
25 three-tiered system of regulating the alcohol beverage industry
26 is critical to maintaining a fair and competitive marketplace.
27 The study required by this section does not preclude the
28 alcoholic beverages division from applying regulatory
29 discretion that aligns with the performance of the powers and
30 duties granted to the administrator in chapter 123.

31 2. The alcoholic beverages division of the department of
32 commerce, in conjunction with other stakeholders the division
33 deems necessary, shall conduct a study concerning enforcement
34 issues related to alcoholic beverage control, including
35 consideration of the manner of properly balancing appropriate

1 regulation of the manufacturing, distribution, and sale of
2 alcoholic liquor, wine, and beer in this state with emerging
3 trends in the industry.

4 3. In conducting the study, the division shall consider
5 any other relevant issues the division identifies for study,
6 issues relating to the three-tiered system and section 123.45,
7 as it impacts the ability of manufacturers, wholesalers, and
8 retailers to meet changing marketplace conditions and business
9 opportunities.

10 4. By July 1, 2018, the division shall submit a final report
11 to the general assembly. The report shall provide the results
12 of the study including any findings and recommendations.

13 5. During the time period of the study and consideration of
14 the issue by the general assembly during the 2019 legislative
15 session, if an applicant has a conflict with section 123.45,
16 subsection 1, paragraphs "c" or "d", the administrator
17 may elect to defer on a final determination regarding the
18 eligibility and issue a temporary license or permit with
19 conditions, if applicable. In making a determination of
20 whether to defer on a final determination, the administrator
21 shall balance regulatory principles and practices that ensure a
22 fair and competitive marketplace with the protections of the
23 public interests as provided in chapter 123.

24 6. This section is repealed July 1, 2019.

25 Sec. 29. TIME AND ATTENDANCE SOLUTION — EXECUTIVE BRANCH.

26 1. By June 30, 2019, it is the intent of the general
27 assembly that executive branch agencies make use of an
28 existing master agreement entered into by the department of
29 administrative services on November 17, 2015, to develop a
30 statewide time and attendance solution. The statewide time
31 and attendance solution will have the ability to generate
32 savings within state government, minimize compliance risk, and
33 improve workforce productivity with a vendor who specializes in
34 measuring metrics to monitor performance and measures financial
35 and operational activities by incorporating modeling and data

1 analytics, baseline numbers, and any additional pertinent
2 information.

3 2. By November 30, 2017, the department of administrative
4 services shall submit a report to the fiscal committee
5 providing an implementation plan for the statewide time and
6 attendance solution and projected cost savings resulting from
7 such implementation.

8 Sec. 30. SEXUAL ABUSE EVIDENCE COLLECTION KITS. Any sexual
9 abuse evidence collection kit identified by a jurisdictional
10 law enforcement agency through the inventory required pursuant
11 to 2016 Iowa Acts, chapter 1042, shall be maintained by the law
12 enforcement agency indefinitely. A law enforcement agency in
13 possession of any sexual abuse evidence kit identified through
14 the inventory shall submit for analysis any kit at the request
15 of the department of justice.

16 Sec. 31. REPEAL. Chapter 304A, Code 2017, is repealed.

17 DIVISION IV

18 CORRECTIVE PROVISIONS

19 Sec. 32. Section 22.13A, subsection 5, paragraph b, as
20 enacted by 2017 Iowa Acts, House File 291, section 51, is
21 amended to read as follows:

22 b. If paragraph "a", subparagraph (1) or (2) is not
23 consistent with the provision of a collective bargaining
24 agreement, a state agency shall provide the individuals
25 referenced in this subsection, as applicable, with regular
26 reports regarding any personnel settlement agreements entered
27 into with state employees by the state agency.

28 Sec. 33. Section 27.1, as enacted by 2017 Iowa Acts, Senate
29 File 499, section 1, is amended to read as follows:

30 27.1 Definitions.

31 ~~1.~~ For purposes of this ~~section~~ chapter:

32 ~~a.~~ 1. "Monitoring device" means a digital video or audio
33 streaming or recording device that is part of a system of
34 monitoring activity in an area or building using a system in
35 which signals are transmitted from a video camera or microphone

1 to the receivers by cables or wirelessly, forming a closed
2 circuit.

3 ~~b.~~ 2. "*Public hospital*" means a hospital licensed pursuant
4 to chapter 135B and governed pursuant to chapter 145A, 263,
5 347, 347A, or 392.

6 ~~c.~~ 3. "*Public library*" means a library district as
7 described in chapter 336.

8 ~~d.~~ 4. "*Public school*" means a school district as described
9 in chapter 274.

10 ~~e.~~ 5. "*Reasonable expectation of privacy*" means a person's
11 reasonable belief, under the circumstances, that the person can
12 disrobe or partially disrobe in privacy without being concerned
13 that the person is being viewed, photographed, or filmed when
14 doing so.

15 Sec. 34. Section 73A.26, as enacted by 2017 Iowa Acts,
16 Senate File 438, section 6, is amended to read as follows:

17 **73A.26 Purpose.**

18 The purpose of this ~~chapter~~ subchapter is to provide for
19 more economical, nondiscriminatory, neutral, and efficient
20 procurement of construction-related goods and services by this
21 state and political subdivisions of this state.

22 Sec. 35. Section 80B.19, subsection 2, if enacted by 2017
23 Iowa Acts, Senate File 509, section 22, is amended to read as
24 follows:

25 2. Internal training funds in the internal training
26 clearing fund shall be administered by the academy and shall
27 consist of moneys collected by the academy from billings issued
28 in accordance with this chapter ~~80B~~, and any other moneys
29 obtained or accepted by the academy, including but not limited
30 to gifts, loans, donations, grants, and contributions, which
31 are obtained or designated to support the activities of the
32 academy.

33 Sec. 36. Section 84A.1A, subsection 1, paragraph a,
34 subparagraph (8), subparagraph division (b), subparagraph
35 subdivision (iii), as enacted by 2017 Iowa Acts, House File

1 572, section 1, is amended to read as follows:

2 (iii) Two representatives of community-based organizations
3 that have demonstrated experience and expertise in addressing
4 the employment, training, or education needs of individuals
5 with barriers to employment as defined in the federal Workforce
6 Innovation and Opportunity Act, Pub. L. No. 113-128, §3(24),
7 including but not limited to organizations that serve veterans,
8 or that provide or support competitive, integrated employment
9 for individuals with disabilities; or that serve eligible
10 youth, as defined in the federal Workforce Innovation and
11 Opportunity Act, Pub. L. No. 113-128, §3(18), including
12 representatives of organizations that serve out-of-school
13 youth, as defined in the federal Workforce Innovation and
14 Opportunity Act, Pub. L. No. 113-128, §129(a)(1)(B).

15 Sec. 37. Section 225D.1, subsection 8, Code 2017, as amended
16 by 2017 Iowa Acts, House File 215, section 1, is amended to
17 read as follows:

18 8. "*Eligible individual*" means a child less than fourteen
19 years of age who has been diagnosed with autism based on a
20 diagnostic assessment of autism, is not otherwise eligible for
21 coverage for applied behavioral analysis treatment or applied
22 behavior analysis treatment under the medical assistance
23 program, [section 514C.28](#), [514C.31](#), or other private insurance
24 coverage, and whose household income does not exceed five
25 hundred percent of the federal poverty level.

26 Sec. 38. Section 261.9, subsection 2A, paragraph b, if
27 enacted by 2017 Iowa Acts, House File 642, section 15, is
28 amended to read as follows:

29 b. Is a barber school licensed under section 158.7 or
30 a school of cosmetology arts and sciences licensed under
31 chapter 157 and is accredited by a national accrediting agency
32 recognized by the United States department of education. For
33 the fiscal year beginning July 1, 2017, an eligible institution
34 under this paragraph shall provide a matching aggregate amount
35 of institutional financial aid equal to at least seventy-five

1 percent of the amount received by the institution's students
2 for Iowa tuition grant assistance under section 261.16A.
3 For the fiscal year beginning July 1, 2018, the institution
4 shall provide a matching aggregate amount of institutional
5 financial aid equal to at least eighty-five percent of the
6 amount received in that fiscal year. Commencing with the
7 fiscal year beginning July 1, 2019, and each succeeding fiscal
8 year, the matching aggregate amount of institutional financial
9 aid shall be at least equal to the match provided by eligible
10 institutions under ~~section 261.16A, subsection 2~~ paragraph "a".

11 Sec. 39. 2017 Iowa Acts, House File 488, section 57, as
12 enacted, is amended by striking the section and inserting in
13 lieu thereof the following:

14 SEC. 57. Section 455B.474, subsection 2, paragraph a,
15 subparagraph (1), Code 2017, is amended to read as follows:

16 (1) (a) Financial responsibility required by this
17 subsection may be established in accordance with rules adopted
18 by the commission by any one, or any combination, of the
19 following methods: ~~insurance, guarantee, surety bond, letter~~

20 (i) Insurance.

21 (ii) Guarantee.

22 (iii) Surety bond.

23 (iv) Letter of credit, or qualification.

24 (v) Qualification as a self-insurer.

25 (b) In adopting requirements under this subsection, the
26 commission may specify policy or other contractual terms,
27 conditions, or defenses which are necessary or are unacceptable
28 in establishing the evidence of financial responsibility.

29 Sec. 40. 2017 Iowa Acts, House File 642, section 44,
30 subsection 1, paragraph f, unnumbered paragraph 2, if enacted,
31 is amended to read as follows:

32 From the moneys appropriated in this lettered paragraph
33 "f", not more than \$50,000 shall be used by the department ~~for~~
34 ~~expenses associated with the activities of the secondary career~~
35 ~~and technical programming task force convened pursuant to this~~

1 ~~Act~~ to provide statewide support for work-based learning.

2 Sec. 41. 2017 Iowa Acts, House File 642, section 52,
3 subsection 4, paragraph c, subparagraph (4), is amended to read
4 as follows:

5 (4) Notwithstanding section 8.33, of the moneys
6 appropriated in this paragraph "c" that remain unencumbered
7 or unobligated at the close of the fiscal year, an amount
8 equivalent to not more than 5 percent of the amount
9 appropriated in this paragraph "c" shall not revert ~~by~~ but
10 shall remain available for expenditure for summer programs for
11 students until the close of the succeeding fiscal year.

12 Sec. 42. 2017 Iowa Acts, House File 642, section 55,
13 subsection 1, paragraph f, unnumbered paragraph 2, if enacted,
14 is amended to read as follows:

15 From the moneys appropriated in this lettered paragraph
16 "f", not more than \$25,000 shall be used by the department ~~for~~
17 ~~expenses associated with the activities of the secondary career~~
18 ~~and technical programming task force convened pursuant to this~~
19 ~~Act~~ to provide statewide support for work-based learning.

20 Sec. 43. 2017 Iowa Acts, Senate File 510, section 22,
21 subsection 1, if enacted, is amended to read as follows:

22 1. Notwithstanding section 466A.2, and the repeal of
23 chapter 466A as provided in this division of this Act, on and
24 after December 31, 2017, the department of agriculture and
25 land stewardship shall manage moneys credited to the watershed
26 improvement fund in the same manner as required in 2016
27 Acts, chapter 1134, section 35, including by making necessary
28 payments to satisfy any outstanding obligations incurred by the
29 watershed improvement review board prior to December 31, 2017.

30 Sec. 44. EFFECTIVE UPON ENACTMENT. The following sections
31 of this division of this Act, being deemed of immediate
32 importance, take effect upon enactment:

33 1. The section of this division of this Act amending section
34 22.13A, subsection 5, paragraph "b".

35 2. The section of this division of this Act amending section

1 73A.26.

2 3. The section of this division of this Act amending
3 section 84A.1A, subsection 1, paragraph "a", subparagraph (8),
4 subparagraph division (b), subparagraph subdivision (iii).

5 Sec. 45. EFFECTIVE DATE. The section of this division of
6 this Act amending section 225D.1, subsection 8, takes effect
7 January 1, 2018.

8 DIVISION V

9 WEAPONS

10 Sec. 46. Section 724.2A, as enacted by 2017 Iowa Acts, House
11 File 517, section 5, is amended to read as follows:

12 **724.2A Peace officer and reserve peace officer — defined.**

13 As used in [sections 724.4, 724.6, and 724.11](#), "*peace officer*"
14 ~~means a certified "*peace officer*"~~ and includes a reserve peace
15 officer as defined in [section 80D.1A](#).

16 Sec. 47. Section 724.4C, subsection 1, unnumbered paragraph
17 1, as enacted by 2017 Iowa Acts, House File 517, section 8, is
18 amended to read as follows:

19 Except as provided in subsection 2, a person commits a
20 serious misdemeanor if the person is intoxicated as provided
21 under the conditions set out in section 321J.2, subsection
22 1, paragraph "a", "b", or "c", and the person does any of the
23 following:

24 Sec. 48. Section 724.17, subsection 1, as enacted by 2017
25 Iowa Acts, House File 517, section 22, is amended to read as
26 follows:

27 1. The application for a permit to acquire pistols or
28 revolvers may be made to the sheriff of the county of the
29 applicant's residence and shall be on a form prescribed
30 and published by the commissioner of public safety. The
31 application shall require only the full name of the applicant,
32 the driver's license or nonoperator's identification card
33 number of the applicant, the residence of the applicant, ~~and~~
34 the date and place of birth of the applicant, and whether the
35 applicant meets the criteria specified in section 724.15.

1 The applicant shall also display an identification card that
2 bears a distinguishing number assigned to the cardholder, the
3 full name, date of birth, sex, residence address, and brief
4 description and color photograph of the cardholder, or other
5 identification as specified by rule of the department of public
6 safety. The sheriff shall conduct a criminal history check
7 concerning each applicant by obtaining criminal history data
8 from the department of public safety which shall include an
9 inquiry of the national instant criminal background check
10 system maintained by the federal bureau of investigation or any
11 successor agency. A person who makes what the person knows
12 to be a false statement of material fact on an application
13 submitted under this section or who submits what the person
14 knows to be any materially falsified or forged documentation in
15 connection with such an application commits a class "D" felony.

16 Sec. 49. Section 724.22, subsection 9, as enacted by 2017
17 Iowa Acts, House File 517, section 29, is amended to read as
18 follows:

19 9. A parent, guardian, spouse, or instructor, who knowingly
20 provides direct supervision under subsection 5, of a person
21 while intoxicated as provided under the conditions set out
22 in section 321J.2, subsection 1, ~~or under the influence of~~
23 ~~an illegal drug~~ paragraph "a", "b", or "c", commits child
24 endangerment in violation of section 726.6, subsection 1,
25 paragraph "i".

26 Sec. 50. Section 726.6, subsection 1, paragraph i, as
27 enacted by 2017 Iowa Acts, House File 517, section 30, is
28 amended to read as follows:

29 i. Knowingly provides direct supervision of a person under
30 section 724.22, subsection 5, while intoxicated as provided
31 under the conditions set out in section 321J.2, subsection 1,
32 ~~or under the influence of an illegal drug~~ paragraph "a", "b",
33 or "c".

34 Sec. 51. 2017 Iowa Acts, House File 517, section 50,
35 subsection 1, as enacted, is amended to read as follows:

1 1. The ~~section~~ sections of this Act amending ~~section~~
2 sections 724.22 and 726.6.

3 Sec. 52. REPEAL. 2017 Iowa Acts, House File 517, section
4 16, as enacted, is repealed.

5 Sec. 53. EFFECTIVE UPON ENACTMENT. The section of this
6 division of this Act amending 2017 Iowa Acts, House File 517,
7 section 50, subsection 1, being deemed of immediate importance,
8 takes effect upon enactment.

9 Sec. 54. RETROACTIVE APPLICABILITY. The section of this
10 division of this Act amending 2017 Iowa Acts, House File 517,
11 section 50, subsection 1, applies retroactively to April 13,
12 2017.

13 DIVISION VI

14 MERCHANT LINES

15 Sec. 55. Section 6A.21, subsection 1, Code 2017, is amended
16 by adding the following new paragraph:

17 NEW PARAGRAPH. *0a. "Aboveground merchant line" means*
18 *"merchant line" as defined in section 478.6A, subsection 1,*
19 *excluding those merchant lines that are underground.*

20 Sec. 56. Section 6A.21, subsection 1, paragraph b, Code
21 2017, is amended to read as follows:

22 *b. "Private development purposes" means the construction of,*
23 *or improvement related to, recreational trails, recreational*
24 *development paid for primarily with private funds, aboveground*
25 *merchant lines, housing and residential development, or*
26 *commercial or industrial enterprise development.*

27 Sec. 57. Section 6A.21, subsection 2, Code 2017, is amended
28 to read as follows:

29 2. The limitation on the definition of public use,
30 public purpose, or public improvement does not apply to the
31 establishment, relocation, or improvement of a road pursuant
32 to [chapter 306](#), or to the establishment of a railway under the
33 supervision of the department of transportation as provided in
34 section 327C.2, or to an airport as defined in [section 328.1](#),
35 or to land acquired in order to replace or mitigate land used

1 in a road project when federal law requires replacement or
2 mitigation. This limitation also does not apply to utilities,
3 persons, companies, or corporations under the jurisdiction of
4 the Iowa utilities board in the department of commerce or to
5 any other utility conferred the right by statute to condemn
6 private property or to otherwise exercise the power of eminent
7 domain, except to the extent such purpose includes construction
8 of aboveground merchant lines.

9 Sec. 58. Section 6A.22, subsection 2, paragraph a,
10 subparagraph (2), Code 2017, is amended to read as follows:

11 (2) The acquisition of any interest in property necessary to
12 the function of a public or private utility to the extent such
13 purpose does not include construction of aboveground merchant
14 lines, common carrier, or airport or airport system.

15 Sec. 59. EFFECTIVE UPON ENACTMENT. This division of this
16 Act, being deemed of immediate importance, takes effect upon
17 enactment.

18 Sec. 60. APPLICABILITY. This division of this Act applies
19 to projects or condemnation proceedings commenced on or after
20 the effective date of this division of this Act.

21 DIVISION VII

22 VAPOR AND ALTERNATIVE NICOTINE PRODUCTS — TAX

23 Sec. 61. Section 453A.1, Code 2017, is amended by adding the
24 following new subsection:

25 NEW SUBSECTION. 7A. "*Delivery sale*" means any sale of
26 an alternative nicotine product or a vapor product to a
27 purchaser in this state where the purchaser submits the order
28 for such sale by means of a telephonic or other method of
29 voice transmission, mail or any other delivery service, or the
30 internet or other online service and the alternative nicotine
31 product or vapor product is delivered by use of mail or a
32 delivery service. The sale of an alternative nicotine product
33 or vapor product shall constitute a delivery sale regardless of
34 whether the seller is located in this state. "*Delivery sale*"
35 does not include a sale to a distributor or retailer of any

1 alternative nicotine product or vapor product not for personal
2 consumption.

3 Sec. 62. Section 453A.1, subsection 20, Code 2017, is
4 amended to read as follows:

5 20. "*Place of business*" is construed to mean and include any
6 place where cigarettes are sold or where cigarettes are stored
7 within or without the state of Iowa by the holder of an Iowa
8 permit or kept for the purpose of sale or consumption; or if
9 sold from any vehicle or train, the vehicle or train on which
10 or from which such cigarettes are sold shall constitute a place
11 of business; or for a business within or without the state that
12 conducts delivery sales, any place where alternative nicotine
13 products or vapor products are sold or where alternative
14 nicotine products or vapor products are kept for the purpose
15 of sale.

16 Sec. 63. Section 453A.13, subsection 1, Code 2017, is
17 amended to read as follows:

18 1. *Permits required.* Every distributor, wholesaler,
19 cigarette vendor, and retailer, now engaged or who desires to
20 become engaged in the sale or use of cigarettes, upon which a
21 tax is required to be paid, and every retailer now engaged or
22 who desires to become engaged in selling, offering for sale, or
23 distributing alternative nicotine products or vapor products,
24 including through delivery sales, shall obtain a state or
25 retail permit as a distributor, wholesaler, cigarette vendor,
26 or retailer, as the case may be.

27 Sec. 64. Section 453A.13, subsection 2, paragraph a, Code
28 2017, is amended to read as follows:

29 a. The department shall issue state permits to distributors,
30 wholesalers, and cigarette vendors and retailers that make
31 delivery sales of alternative nicotine products and vapor
32 products subject to the conditions provided in [this division](#).
33 If an out-of-state retailer makes delivery sales of alternative
34 nicotine products or vapor products, an application shall be
35 filed with the department and a permit shall be issued for the

1 out-of-state retailer's principal place of business. Cities
2 may issue retail permits to ~~dealers~~ retailers with a place of
3 business located within their respective limits. County boards
4 of supervisors may issue retail permits to ~~dealers~~ retailers
5 with a place of business in their respective counties, outside
6 of the corporate limits of cities.

7 Sec. 65. Section 453A.42, Code 2017, is amended by adding
8 the following new subsection:

9 NEW SUBSECTION. 2A. "Delivery sale" means any sale of
10 an alternative nicotine product or a vapor product to a
11 purchaser in this state where the purchaser submits the order
12 for such sale by means of a telephonic or other method of
13 voice transmission, mail or any other delivery service, or the
14 internet or other online service and the alternative nicotine
15 product or vapor product is delivered by use of mail or a
16 delivery service. The sale of an alternative nicotine product
17 or vapor product shall constitute a delivery sale regardless of
18 whether the seller is located in this state. "Delivery sale"
19 does not include a sale to a distributor or retailer of any
20 alternative nicotine product or vapor product not for personal
21 consumption.

22 Sec. 66. Section 453A.42, subsection 8, Code 2017, is
23 amended to read as follows:

24 8. "*Place of business*" means any place where tobacco
25 products are sold or where tobacco products are manufactured,
26 stored, or kept for the purpose of sale or consumption,
27 including any vessel, vehicle, airplane, train, or vending
28 machine; or for a business within or without the state that
29 conducts delivery sales, any place where alternative nicotine
30 products or vapor products are sold or where alternative
31 nicotine products or vapor products are kept for the purpose of
32 sale, including delivery sales.

33 Sec. 67. Section 453A.47A, subsections 1, 3, and 6, Code
34 2017, are amended to read as follows:

35 1. *Permits required.* A person shall not engage in

1 the business of a retailer of tobacco, tobacco products,
2 alternative nicotine products, or vapor products at any place
3 of business, or through delivery sales, without first having
4 received a permit as a retailer.

5 3. *Number of permits.* An application shall be filed and a
6 permit obtained for each place of business owned or operated by
7 a retailer located in the state. If an out-of-state retailer
8 makes delivery sales of alternative nicotine products or vapor
9 products, an application shall be filed with the department
10 and a permit shall be issued for the out-of-state retailer's
11 principal place of business.

12 6. *Issuance.* Cities ~~shall~~ may issue retail permits to
13 retailers located within their respective limits. County
14 boards of supervisors ~~shall~~ may issue retail permits to
15 retailers located in their respective counties, outside of the
16 corporate limits of cities. The city or county shall submit a
17 duplicate of any application for a retail permit and any retail
18 permit issued by the entity under [this section](#) to the alcoholic
19 beverages division of the department of commerce within thirty
20 days of issuance. The alcoholic beverages division of the
21 department of commerce shall submit the current list of all
22 retail permits issued to the Iowa department of public health
23 by the first day of each quarter of a state fiscal year.

24 Sec. 68. NEW SECTION. 453A.47B Requirements for mailing or
25 shipping — alternative nicotine products or vapor products.

26 A retailer shall not mail, ship, or otherwise cause to be
27 delivered any alternative nicotine product or vapor product in
28 connection with a delivery sale unless all of the following
29 apply:

30 1. Prior to sale to the purchaser, the retailer verifies
31 that the purchaser is at least eighteen years of age through or
32 by one of the following:

33 a. A commercially available database, or aggregate of
34 databases, that is regularly used by government and businesses
35 for the purpose of age and identity verification.

1 *b.* Obtaining a copy of a valid government-issued document
2 that provides the name, address, and date of birth of the
3 purchaser.

4 2. The retailer uses a method of mailing, shipping, or
5 delivery that requires the signature of a person who is at
6 least eighteen years of age before the shipping package is
7 released to the purchaser.

8 Sec. 69. NEW SECTION. **453A.47C Sales and use tax on**
9 **delivery sales — alternative nicotine products or vapor**
10 **products.**

11 1. A delivery sale of alternative nicotine products or vapor
12 products within this state shall be subject to the sales tax
13 provided in chapter 423, subchapter II.

14 2. The use in this state of alternative nicotine products
15 or vapor products purchased for use in this state through a
16 delivery sale shall be subject to the use tax provided in
17 chapter 423, subchapter III.

18 3. A retailer required to possess or possessing a permit
19 under section 453A.13 or 453A.47A to make delivery sales of
20 alternative nicotine products or vapor products within this
21 state shall be deemed to have waived all claims that such
22 retailer lacks physical presence within this state for purposes
23 of collecting and remitting sales and use tax.

24 4. A retailer making taxable delivery sales of alternative
25 nicotine products or vapor products within this state shall
26 remit to the department all sales and use tax due on such sales
27 at the times and in the manner provided by chapter 423.

28 5. The director shall adopt rules pursuant to chapter 17A to
29 administer this section.>

COMMITTEE ON APPROPRIATIONS
GRASSLEY of Butler, Chairperson